



# Los Angeles County AUDIT COMMITTEE

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December 29, 2004

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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JAN 18 2005

*Violet Varona-Lukens*  
VIOLET VARONA-LUKENS  
EXECUTIVE OFFICER

Dear Supervisors:

## **POLICY SUNSET REVIEW PROCESS – POLICY #5.140 OVERSIGHT OF CONSTRUCTION CONTRACTORS FOR BOARD APPROVAL (ALL DISTRICTS AFFECTED) (3 VOTES)**

### **IT IS RECOMMENDED THAT YOUR BOARD:**

Approve the revision more specifically defining required considerations in evaluating and selecting construction contractors and extend the Sunset Review Date of Policy #5.140 Oversight of Construction Contractors to April 14, 2008.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

In accordance with the Board of Supervisors Policy manual guidelines, the Audit Committee is submitting the results of the evaluation of Board Policy #5.140 Oversight of Construction Contractors and its recommendation for further action by your Board.

The original policy required Departments to consider construction contractors' relevant criminal and civil litigation background information in the award of contracts. The revised policy would require Departments to consider all pertinent information on the past performance of construction contractors prior to awarding contracts.

The original policy required County Departments, as part of the selection process, to review the list of contractors who have violated the False Claim Act or who were reported by the County to the Contractors' State License Board. The revised policy requires County Departments, as part of the evaluation process, to still review any violation of the False Claim Act, criminal convictions, civil litigation and complaints filed with the County to the Contractors' State License Board. Additionally, it requires review of any defaulted contracts with the County, labor law/payroll violations and debarment actions.

### **FISCAL/FINANCING IMPACTS:**

More clearly defines the protocol in evaluation and selection of construction contractors to aid in avoiding financial and/or material default in contract completion.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

This policy was established per the April 14, 1998 Board Order, Synopsis 67.

**IMPACT ON CURRENT SERVICES (OR PROJECTS):**

The revisions of this policy more clearly define the protocol in evaluation and selection of construction contractors to aid in avoiding financial and/or material default in contract completion.

Respectfully submitted,



Louisa Ollague  
Chairperson, Audit Committee

LO:ML:pp

cc: Chief Administrative Officer  
Community Development Commission  
Department of Public Works  
Internal Services Department  
Commission Services  
Executive Officer of the Board of Supervisors  
County Counsel  
Auditor-Controller